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OF COUNSEL DONALD G. AVERY

### **Expedited Action Requested**

February 14, 2006

#### VIA HAND DELIVERY

The Honorable Vernon Williams Secretary Surface Transportation Board 1925 K Street, N.W. **Room 711** Washington, D.C. 20423

Office of Flucterin

Re:

Juli-No. 259X) Tennessee Railway Company

Liween Oneida, Tennessee and Nicks Creek, Tennessee

Docket No. AB-290 (Sub-No. 260X), Tennessee Railway Company – Julian Julian

### Dear Secretary Williams:

Enclosed for filing in the referenced proceedings, please find an original and 10 copies of the Joint Petition to Continue to Hold Proceedings in Abeyance. In light of the impending deadline sought to be held in abeyance, expedited consideration of the Petition is requested.

An additional copy of the Petition also is enclosed. Kindly indicate receipt and filing by time-stamping this copy and returning it to the bearer of this letter.

Thank you for your attention to this matter.

Sincerely,

Kendra A. Ericson

An Attorney for

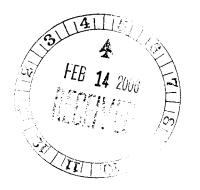
**National Coal Corporation** 

Enclosure

cc: Mr. Joseph Dettmar







TENNESSEE RAILWAY COMPANY – ABANDONMENT EXEMPTION –	315 798
BETWEEN ONEIDA, TENNESSEE AND	) Docket No. AB-290 (Sub-No. 259X)
NICKS CREEK, TENNESSEE – IN SCOTT	)
COUNTY, TENNESSEE	)
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TENNESSEE RAILWAY COMPANY –	)
ABANDONMENT EXEMPTION – IN	) \frac{7}{2}
ANDERSON AND CAMPBELL	) Docket No. AB-290 (Sub-No. 260X)
COUNTIES, TENNESSEE	
	Office CAR

# JOINT PETITION TO CONTINUE TO HOLD PROCEEDINGS IN ABEYANCE

Pursuant to 49 C.F.R. Parts 1104.7(b) and 1117.1, National Coal Corporation ("NCC") and Norfolk Southern Railway Company and its wholly-owned subsidiary, Tennessee Railway Company (collectively "NS"), petition the Board for an order to continue to hold further proceedings in the captioned dockets in abeyance until February 28, 2006, in order to allow the parties time to formalize and close on agreements whereunder NCC will acquire and restore service over the lines at issue in these dockets.

In support hereof, NCC and NS show as follows:

1. By Decision served July 14, 2005, the Board granted a request by NCC and NS to extend the due date for either party to submit a request that the Board establish the terms and conditions for a purchase of the subject lines by NCC under the provisions of 49 U.S.C. § 10904, to August 12, 2005. This was done to facilitate ongoing negotiations between the parties over the terms of such a purchase. The Board further extended the deadline until September 15, 2005 in a decision served on August 12, 2005, and again extended the deadline to September 30, 2005 in a Decision served on September 15, 2005, in response to joint requests by NCC and NS. On September 29, 2005, the parties filed a Joint Petition to Hold Proceedings in Abeyance until December 15, 2005. Therein, the parties advised the Board that they had reached an agreement in principle as to the essential terms of a comprehensive transaction whereunder NCC (or its designee) will acquire the subject lines and restore rail operations. At the time, the parties believed that they could conclude negotiations over the necessary agreements and close on the purchase by December 15. The Board granted this petition in an order served on September 30, 2005. On December 8, 2005, the parties again requested an extension of time to finalize the proceeding. In a decision served on December 12, 2005, the Board granted the petition and extended the deadline to January 31, 2006, in order to allow the parties additional time to prepare formal documents, conduct due diligence, and review third party issues. On January 30, 2006, the parties filed another Petition to Continue to

Hold in Abeyance until February 15, 2006 in order to allow the parties additional time to finalize formal documents, conduct due diligence and review third party issues. The Board granted this Petition on January 31, 2006.

- 2. Since the Board's January 31, 2006 Order, NCC and NS have continued to work to formalize their agreements and finalize the many different documents involved in concluding the sale of the lines and the restoration of operations. Despite these efforts, however, NCC and NS now find that they need additional time to work out final closing details, such as the preparing the formal documents for closing, completing the due diligence process, reviewing third party agreements, licenses and easements that also will transferred and otherwise preparing for the transfer of ownership and renewal of service. The parties believe they can finalize these matters and conclude a transfer under the OFA procedures without further Board intervention by February 28, 2006.
- 3. Consistent with 49 C.F.R. Parts 1104.7(b) and 1117.1, good cause exists for the Board to hold further proceedings in these dockets in abeyance pending the formalization of the parties' agreement and eventual closing on or before February 28, 2006. The relief requested will afford NCC and NS the opportunity to conclude their transaction, at which point NS will request dismissal of these dockets. As the parties noted in their prior requests for due date extensions, this solution will conserve

administrative resources and directly serve the national transportation policy goal of minimizing the need for federal regulatory intervention. See 49 U.S.C.§ 10101(2).

4. Finally, in light of the impending expiration of the current abevance period on February 15, 2006, NCC and NS respectfully request expedited Board action on this Petition.

WHEREFORE, for good cause shown, NCC and NS respectfully request that the Board issue an order to continue to hold further proceedings in these dockets in abeyance until February 28, 2006.

NORFOLK SOUTHERN RAILWAY

By: James R. Paschall, Esq. Senior General Attorney Norfolk Southern Corporation Law Department Three Commercial Place Norfolk, Virginia 23510

Respectfully submitted,

NATIONAL COAL CORPORATION

By: Charles W. Kite Senior Vice President and Corporate Counsel **National Coal Corporation** 8815 George Williams Road Knoxville, Tennessee 37923

Kelvin J. Dowd

Kendra A. Ericson A. S.

Slover & Loftus

1224 Seventeenth Street, N.W.

Washington, D.C. 20036

Dated: February 14, 2006

## **CERTIFICATE OF SERVICE**

I hereby certify that on this 14th day of February, 2006, I caused copies of the foregoing Joint Petition to Continue to Hold Proceedings in Abeyance to be served upon all parties of record in this proceeding by first class United States mail, postage prepaid.

Kendra A. Ericson